

## **OBSERVATION REPORT #98**

**The “KPMG CLEC” received bills that reflected incorrect charges for Temporary Suspensions of UNE-P accounts.**

### **Background**

As per the New Jersey Tariff, for temporary suspensions that are under fifteen days in duration, the full monthly service charge applies in addition to a non-recurring Element 1B charge of either \$16.00 or \$20.19 depending on the type of service, applicable at the time of the suspension.

For temporary suspensions lasting more than fifteen days but less than four months in duration, a one time suspension charge of \$4.60 is applicable in lieu of the monthly service charge, except in cases where the monthly service charge results in lesser charges for the period. In addition, a non-recurring Element 1B charge of \$16.00 or \$20.19 depending on the type of service, applicable at the time of the suspension.

Shown below are excerpts from the New Jersey B.P.U. NJ. No. 2, Exchange and Network Services.

*Section B – Rate Treatment<sup>1</sup> states:*

*“a. Fifteen days or less – No reduction is made in the monthly rates.*

*“b . Over Fifteen Days- The full local service rate will apply in each billing period of suspension in lieu of the suspension charges specified following whenever this results in lesser charges for the period.”*

*2. Non-recurring charges, “The residence or Business ELEMENT 1B charge applies to the customer’s order at the time of suspension.”.*

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<sup>1</sup> New Jersey Tariff Exchange and Network Services, Section A2, Third revised page 23, 2.2.10 Temporary Suspension of Service- Customer Initiated.

## **Issue**

KPMG CLEC bills reflect an inappropriate charge for a one-time charge of \$4.60. In addition, the applicable non-recurring (Element 1B) charges were not applied. Examples of charges contained on KPMG CLEC bills are shown on the below:

**Bill Date: September 16, 2000**  
**Master Account: 609-Z07-1015**  
**Component Account: 609-671-5315**

Temporary suspension	One time charge	609-671-5315	September 11, 2000	\$4.60
Monthly Service charges	Recurring	609-671-5315	September 11, 2000	\$24.05

**Bill Date: September 16, 2000**  
**Master Account: 609-007-1006**  
**Component Account: 609-404-2836**

Temporary suspension	One time charge	609-404-2836	September 7, 2000	\$4.60
Monthly Service charges	Recurring	609-404-2836	September 7, 2000	\$24.03

## **Assessment**

Issuing bills containing incorrect information requires a CLEC to engage in billing reconciliation activities to identify and correct billing errors thereby increasing a CLECs operating costs.